

FCC Received July 25, 1997 @ 12:10 p.m.  
Anna A. Broadshaw

# FEDERAL COMMUNICATIONS COMMISSION

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In the Matter of:

CCN, INC.,  
CHURCH DISCOUNT GROUP, INC.,  
DISCOUNT CALLING CARD, INC.,  
DONATION LONG DISTANCE INC.,  
LONG DISTANCE SERVICES, INC.,  
MONTHLY DISCOUNTS, INC., and  
PHONE CALLS, INC.

CC Docket No.: 97-144

Order to Show Cause and Notice  
of Opportunity for Hearing

Volume: 1

Pages: 1 through 5

Place: Washington, D.C.

Date: July 15, 1997

## HERITAGE REPORTING CORPORATION

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Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554

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COMMISSION  
OFFICE OF SECRETARY

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CHURCH DISCOUNT GROUP, INC., )  
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Order to Show Cause and Notice )  
of Opportunity for Hearing )

CC Docket No.: 97-144

FCC Building  
2000 L Street, N.W.  
Courtroom 1  
2nd Floor  
Washington, D.C.

Tuesday,  
July 15, 1997

The parties met, pursuant to the notice of the  
Judge, at 9:00 a.m.

BEFORE: HON. JOSEPH CHACHKIN  
Administrative Law Judge

APPEARANCES:

On behalf of the FCC:

KEITH NICHOLS, ESQ.  
THOMAS D. WYATT, ESQ.  
COLLEEN HEITKAMP, ESQ.  
Enforcement Division  
Common Carrier Bureau  
Formal Complaints & Investigations Branch  
Federal Communications Commission  
2025 M Street, N.W.  
Washington, D.C. 20554  
(202) 418-0960

Heritage Reporting Corporation  
(202) 628-4888

I N D E XWITNESSES:DIRECTCROSSREDIRECTRECROSS

VOIR

DIRE

None.

Hearing Began: 9:00 a.m.

Hearing Ended: 9:08 a.m.

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P R O C E E D I N G S

JUDGE CHACHKIN: On the record. By memorandum of opinion and order released June 13, 1997, (FCC 97-210), the Commission issued an order to show cause and notice of opportunity at the hearing against CCN, Inc., Church Discount Group, Inc., Discount Calling Card, Inc., Donation Long Distance, Inc., Long Distance Services, Inc., Monthly Discounts, Inc., Monthly Phone Services, Inc. and Phone Calls, Inc., collectively the Fletcher Company.

Today was the date designated for a prehearing conference. Can I have the appearance on behalf of the parties? On behalf of the Fletcher Group, Fletcher Companies? Let the record reflect there was no response.

On behalf of the Chief, Common Carrier Bureau?

MR. NICHOLS: Keith Nichols for the Common Carrier Bureau, Your Honor.

MR. WYATT: Thomas Wyatt for the Common Carrier Bureau.

MS. HEITKAMP: Colleen Heitkamp for the Common Carrier Bureau.

MR. NICHOLS: Your Honor, if I may, I'd like to introduce Jennifer Myers, a recent graduate who is going to be taking the bar examination in a couple of weeks. She'll be assisting us on the case.

JUDGE CHACHKIN: Well, before we get to talking

1 about the case, has anybody heard anything from the Fletcher  
2 Companies or any of its representatives?

3 MR. NICHOLS: No, Your Honor, the only thing we've  
4 received is the service of the designation order, which was  
5 returned by the Post Office as being unable to be delivered,  
6 no forwarding address.

7 JUDGE CHACHKIN: Well, yesterday was the last day  
8 for the Fletcher Company to file notice of appearance, and  
9 my office has received no notice of appearance. In  
10 paragraph 18 of the Commission's designation order specifies  
11 the procedure to be followed if notice of appearance is not  
12 filed within 30 days. Paragraph 18 provides that if the  
13 Fletcher Companies fail to file a written appearance within  
14 the time specified, their right to hearing shall be waived  
15 and in that event, the presiding judge shall terminate the  
16 hearing and certify this case to the Commission.

17 That's what I intend to do in light of the fact  
18 that no notice of appearance appears to be filed. Anything  
19 further?

20 MR. NICHOLS: Not from the Bureau, Your Honor.

21 MR. WYATT: We would just say that this is an  
22 order the Bureau takes very seriously. Frankly, we had  
23 hoped that the Fletcher Companies would appear so that we  
24 could determine some facts about these various serious  
25 allegations. We really wanted to understand the nature of

1 those operations.

2 We would leave the action proposed by the  
3 Commission in the designation order as appropriate, based on  
4 what we know, but obviously, this is a very serious matter.  
5 I would just say that the Bureau is ready to go forward and  
6 we were certainly prepared to go forward, but we appreciate  
7 the Commission's directive and would support the Judge's  
8 proffer.

9 JUDGE CHACHKIN: Well, the fact that Fletcher  
10 hasn't appeared isn't surprising, in view of the footnote  
11 four --

12 MR. WYATT: Absolutely, Your Honor.

13 JUDGE CHACHKIN: -- which appears that they have  
14 not appeared in a number of state proceedings, where  
15 questions were raised about their conduct.

16 In any event, they apparently do not intend to  
17 appear in this proceeding, and therefore, I shall terminate  
18 the proceeding and certify the matter back to the  
19 Commission.

20 MR. WYATT: Thank you, Your Honor.

21 (Whereupon, at 9:08 a.m., the hearing was  
22 concluded.)

23 //

24 //

25 //

**REPORTER'S CERTIFICATE**

FCC DOCKET NO.: 97-144  
CASE TITLE: CCN, Inc.  
HEARING DATE: July 15, 1997  
LOCATION: Washington, D. C.

I hereby certify that the proceedings and evidence are contained fully and accurately on the tapes and notes reported by me at the hearing in the above case before the Federal Communications Commission.

Date: 7/15/97

Vercountess Grady  
Official Reporter  
Heritage Reporting Corporation  
1220 "L" Street, N.W.  
Washington, D.C. 20005  
Vercountess Grady

**TRANSCRIBER'S CERTIFICATE**

I hereby certify that the proceedings and evidence were fully and accurately transcribed from the tapes and notes provided by the above named reporter in the above case before the Federal Communications Commission.

Date: 7.16.97

Diane Duke  
Official Transcriber  
Heritage Reporting Corporation  
Diane Duke

**PROOFREADER'S CERTIFICATE**

I hereby certify that the transcript of the proceedings and evidence in the above referenced case that was held before the Federal Communications Commission was proofread on the date specified below.

Date: 7-24-97

Don R. Jennings  
Official Proofreader  
Heritage Reporting Corporation  
Don R. Jennings